

**MINUTES OF THE  
AGRICULTURAL SUSTAINABILITY TASK FORCE**  
Monday, October 21, 2002 – 9:00 a.m. – Room 403 State Capitol

**Members Present:**

Sen. Dan Eastman, Senate Chair  
Rep. Craig W. Buttars, House Chair  
Sen. Mike Dmitrich  
Sen. Parley Hellewell  
Rep. Eli H. Anderson  
Rep. Glenn Donnelson  
Rep. Darin Peterson  
Rep. Peggy Wallace  
Mr. Chris Falco\*  
Dr. Bruce Godfrey\*  
Mr. Clark Willis\*

**Members Absent:**

Sen. Millie Peterson  
Sen. Bill Wright  
Rep. Cindy Beshear  
Rep. James R. Gowans  
Mr. Todd Ballard\*  
Mr. Arthur Douglas\*  
Mr. Stan Hamblin\*  
Mr. Richard Nielson\*  
Mr. Randy Parker\*  
Mr. Flint Richards\*

**Staff Present:**

Mr. O. William Asplund, Assistant Director  
Mr. James L. Wilson, Associate General Counsel  
Ms. Sandra Wissa, Legislative Secretary

\*Non-voting members

**Note:** A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or by contacting the committee secretary at 538-1032.

**1. Committee Business**

Chair Eastman called the meeting to order at 9:12 a.m. Rep. Gowans was excused from the meeting.

**MOTION:** Rep. Buttars moved to approve the minutes of the August 5, 2002, and September 16, 2002 meetings. The motion passed unanimously with Sen. Dmitrich and Rep. Donnelson absent for the vote.

**2. Agricultural/Wildlife Partnerships**

Mr. Kevin Conway, Director, Department of Natural Resources, and Mr. Bill James, Division of Wildlife Resources, distributed and made a presentation, "Forging a Partnership." They reviewed how agriculture and wildlife can work together to create landscapes with healthy watersheds that support a diversity of wildlife species and enhance viable agriculture operations.

**3. Review of Draft Legislation, "Agricultural Products Dealer's Act Amendments"**

Mr. Wilson reviewed the draft legislation. He stated that the legislation will modify the Agricultural Products Dealer's Act by increasing the floor and ceiling on the amount of the surety bond or other security agreement required before a license is issued to a dealer.

Rep. Buttars asked whether raising the floor amount would cause problems with smaller businesses?

Mr. Seth Winterton, Department of Agriculture, stated it is too low for the dollar value of transactions and affords little protection for sellers.

Mr. Wilson also reviewed draft legislation "Dealers in Agricultural Products." He explained that this draft legislation provides four changes: (1) the Commissioner of the Department of Agriculture can increase the original bond requirements for a dealer's license if he determines the original bond is inadequate, (2) it allows the commissioner to retain the bond if it is not renewed in a timely fashion, (3) dealers will be required to file an annual report with the department, and (4) a packer buyer will not be allowed to be double licensed or double bonded.

Commissioner Cary Peterson, Department of Agriculture and Food, stated it would be a good idea to ask some small businesses to report at the Natural Resource Interim Committee when this bill is introduced

**MOTION:** Rep. Buttars moved to:

- Combine the two draft bills
- In draft legislation "Dealers in Agricultural Products" Line 84 delete ". . . or waive the filing requirement"
- Approve the new combined bill as a Task Force bill
- Recommend the new combined bill favorably to the Natural Resources Interim Committee

The motion passed unanimously with Sen. Hellewell absent for the vote.

#### **4. Discussion of Items Reviewed by Department of Agricultural Workgroup**

Mr. Wilson explained three additional items that were discussed in the workgroup dealing with lien laws, indemnity funds, and a state warehouse act, and asked how the Task Force wanted to proceed.

Mr. Winterton stated that Utah has not had a lot of problems with warehouses, but feels that when grain prices go up there will be problems. He explained that a state warehouse act along with a separate bonding act may be necessary to avoid these problems.

After discussion on these items, Chair Eastman asked members who would be interested in forming a workgroup to discuss the lien law to protect agricultural producers and the state warehouse act and to look into the possibility of drafting legislation on these issues. The workgroup would consist of members of the Task Force (Sen. Eastman, Rep. Buttars, Sen. Dmitrich, Rep. Anderson, Rep. Peterson, and Rep. Wallace) and representatives from the Department of Agriculture and Dick Wilson from the Utah Idaho Grain Dealers.

#### **5. Other Item/Adjourn**

Chair Eastman stated that the next meeting will be held November 18, 2002, at 9:00 a.m.

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**MOTION:** Rep. Donnelson moved to adjourn the meeting. The motion passed unanimously with Sen. Dmitrich and Sen. Hellewell absent for the vote.

Chair Eastman adjourned the meeting at 10:38 a.m.